

1. FINANCE CHARGE AND PAYMENTS

- a. HOW WE FIGURE THE FINANCE CHARGE.** We figure the Finance Charge using the true daily earnings method as defined by the Texas Finance Code. Under the true daily earnings method, the Finance Charge will be figured by applying the daily rate to the unpaid portion of the Amount Financed for the number of days the unpaid portion of the Amount Financed is outstanding. The daily rate is 1/365th of the Annual Percentage Rate. The unpaid portion of the Amount Financed does not include late charges or return check charges.
- HOW WE WILL APPLY YOUR PAYMENTS.** We will apply your payments in the following order:
1. earned but unpaid finance charge; and
 2. to anything else you owe under this agreement.
- HOW LATE OR EARLY PAYMENTS CHANGE WHAT YOU MUST PAY.** As well as the Finance Charge, Total of Payments, and Total Sale Price as all payments were made as scheduled, if you do not timely make all your payments in at least the correct amount, you will have to pay more Finance Charge. If that happens, your last payment will be more than your first scheduled payment, or all your payments will have to pay more payments of the same amount as your scheduled payment with a smaller last payment. If you make scheduled payments only, your Finance Charge will be reduced (less). If you make your scheduled payments late, your Finance Charge will increase. We will send you a notice telling you about these changes before the final scheduled payment is due.
- d. INTEREST AFTER MATURITY.** If you do not pay us your own when the final payment is due, or you do not pay us your own if we demand payment before full under this contract, you will pay an interest charge on the amount that is still unpaid. That interest charge will be the higher rate of 18% per year or the maximum rate allowed by law. That rate is the higher interest rate for this amount will begin the day after the final payment becomes due.
- e. TRANSFER OF RIGHTS.** We may transfer this contract to another person. That person will then have all our rights, privileges, and remedies.
- f. SPECIAL PROVISIONS FOR BALLOON PAYMENT CONTRACTS.** A balloon payment is a scheduled payment made less than the amount of the average of your scheduled payments, other than the downpayment, that is due before the balloon payment. You can pay at the time when the balloon payment is due and keep your vehicle. If you enter the vehicle primarily for personal, family, or household use, you can buy into a new rental agreement to refinance the balloon payment when you without a refinancing fee. If you refinance the balloon payment, your periodic payments will not be larger or more often than the payments in this contract. The annual percentage rate in the new agreement will not be more than the annual percentage rate in this contract. This provision does not apply if your Payment Schedule has been adjusted to your seasonal or irregular income.
- 1. YOUR OTHER PROMISES TO US**
- a. USE AND TRANSFER OF THE VEHICLE.** You will not sell or transfer the vehicle without our written permission. If you do sell or sell or transfer the vehicle, this will not release you from your obligations under this contract, and we may charge you a transfer fee of \$25.00 (\$50 for a heavy commercial vehicle). You will promptly tell us in writing if you change your address or the address where you keep the vehicle. We agree you may remove the vehicle from the U.S. for 72 hours or less, if the vehicle will continue to be covered by the insurance this contract requires. Otherwise, you agree not to remove the vehicle from the U.S. without our written permission.
- b. CARE OF THE VEHICLE.** You agree to keep the vehicle free from all liens, taxes, and claims except those that secure this contract. You will timely pay all taxes, fines, or charges pertaining to the vehicle. You will keep the vehicle in good repair, and you will attach the vehicle to be seized or placed in jeopardy or use it illegally. You must pay all you owe even if the vehicle is lost, damaged or destroyed. If a third party takes a lien or claim against or possession of the vehicle, you may pay the third party any claim required to take the vehicle from the lien or claims. We will not sue you for the vehicle if you are not responsible for the vehicle to the third party for the vehicle. If you do not pay this amount, we may repossess the vehicle and add that amount to the amount you owe. If we do not repossess the vehicle, we may still demand that you pay us, but we cannot count a finance charge on this amount.
- b. SECURITY INTEREST.** To secure all of that you owe in this contract and all your promises to us, you give us a security interest in:
1. the vehicle including all accessories and parts now or later added and any other goods financed in this contract;
 2. all insurance proceeds and other proceeds received by the vehicle;
 3. any insurance policy, service contract, or other contract financed by us and any proceeds of those contracts; and
 4. any refunds of charges included in this contract for insurance, or service contracts.
- This security interest also secures any extension or modification of this contract. The contents of it must show our security interest in the vehicle.
- d. AGREEMENT TO KEEP THE VEHICLE INSURED.** You agree to keep the vehicle damage insurance covering loss or damage to the vehicle for the term of this contract. The insurance must cover our interest in the vehicle.
- OUR RIGHT TO PURCHASE REQUIRED INSURANCE IF YOU FAIL TO KEEP THE VEHICLE INSURED.** If you fail to give us proof that you have insurance, we may buy physical damage insurance for you. We may buy insurance that covers your interest and our interest in the vehicle, or we may buy insurance that covers our interest only. You will pay the premium for the insurance and a finance charge at the contract rate. If you do not keep the vehicle insurance, we will add to your bill the cost of the insurance we buy for you.
- f. PHYSICAL DAMAGE INSURANCE PROCEEDS.** You must use physical damage insurance proceeds to repair the vehicle, unless you agree otherwise in writing. However, if the vehicle is a total loss, you must use the insurance proceeds to pay what you owe us. You agree that we can use any proceeds from insurance to repair the vehicle, or you may reduce what you owe under this contract. If we apply insurance proceeds to the amount you owe us, they will be applied to your payments in the reverse order of when they are due. If your insurance on the vehicle or credit insurance doesn't pay you, you, you must pay what the bill owed. Once all amounts owed under this contract are paid, any remaining proceeds will be paid to you.
- 3. IF YOU PAY LATE OR BREAK YOUR OTHER PROMISES**
- a. LATE CHARGE.** You will pay us a late charge as agreed to in this contract when it becomes:
1. **DEFAULT.** You will be in default if:
1. You do not pay any amount when it is due;
 2. You give false, incomplete, or misleading information on a credit application;
 3. You file bankruptcy, bankruptcy is filed against you, or the vehicle becomes involved in a bankruptcy;
 4. You allow a judgment to be entered against you or the collateral; or
 5. You break any of your promises in this agreement.
- If you default, we can exercise our rights under this contract and our other rights under the law.
- c. OUR RIGHT TO DEMAND PAYMENT IN FULL.** If you default, we may demand in good faith that you are going to keep any of your promises, but we demand that you immediately pay us all that you owe. We don't have to give you the notice that we are demanding or intend to demand immediate payment of all that you owe.
- d. REPOSSESSION.** If you default, we may repossess the vehicle from you if you do so peacefully. If your vehicle has an electronic tracking device, we agree that we may use the device to find the vehicle. If any proceedings arise as to its vehicle, we can store them for you and give you notice once we use your license address shown on our records within 15 days of discovering that we have your personal items. If you do not ask for these items back within 31 days from the day we mail or deliver the notice to you, we may dispose of them as applicable law allows. Any accessory, equipment, or replacement part stays with the vehicle.
- e. YOUR RIGHT TO REDEMPTION.** If you take your vehicle, you will tell us how much you have to pay to get it back. If you do not pay us to get the vehicle back, you can sell it or take other action allowed by law. Your right to redeem ends when the vehicle is sold or is no longer entered into a contract for sale or accepted if the collateral as full or partial satisfaction of a contract.
- f. DISPOSITION OF THE VEHICLE.** If you do not pay us to get the vehicle back, we can sell it or take other action allowed by law. We will send you notice at least 10 days before we sell it. We may use the money we get from selling to pay allowed expenses and to reduce the amount you owe. Allowed expenses are expenses we pay as a direct result of taking the vehicle, holding it, preparing it for sale, and selling it. If any money is left, we will pay it to you unless you must pay it to someone else. If the money from the sale is not enough to pay all you owe, you must pay the rest of what you owe us plus interest. It is also to sell the vehicle, you will give us the certificate of title and any other document required by state law to record transfer of title.
- g. COLLECTION COSTS.** If we hire an attorney who is not our employee to enforce this contract, you will pay reasonable attorney's fees and court costs and any applicable costs. You will also pay all reasonable out-of-pocket expenses incurred in connection with retaining, holding, and selling the vehicle as the applicable law allows.
- h. CANCELLATION OF OPTIONAL INSURANCE AND SERVICE CONTRACTS.** This contract may contain charges for insurance or service contracts or for services included in this cash price. If you default, you agree that we may claim benefits under these contracts to the extent allowed, and terminate them to obtain benefits of unearned charges to reduce what you owe. If you repair the vehicle, if the vehicle is a total loss, it is damaged, or stolen, we may claim benefits under these contracts and cancel them to obtain refunds of unearned charges to reduce what you owe.
- 4. INTEGRATION AND SEVERABILITY CLAUSE**
- This contract contains the entire agreement between you and us relating to the sale and financing of the vehicle. If any part of this contract is not valid, all other parts stay valid.
- 5. LEGAL LIMITATIONS ON OUR RIGHTS**
- If we do not enforce our rights every time, we can still enforce them later. We will exercise all of our rights in a lawsuit way. You don't have to pay a finance charge or other amounts that are more than the late charges. This provision prevails over all other parts of this contract and over all other contracts.
- 6. SELLER'S DISCLOSURE OF WARRANTIES**
- Unless a separate warranty is provided, we warrant, or enter into the seller's contract within 90 days from the date of this contract, the seller makes no warranties, express or implied, on any vehicle, and there will be no implied warranties of merchantability or of fitness for a particular purpose. This provision does not affect any warranties covering the vehicle that the vehicle manufacturer may provide.
- 7. Used Car Buyback Goals.** The information you see on the window form for this vehicle is part of this contract. Information on the window form overrides any contrary provisions in the contract of sale. Spanish Translation: Guía para compradores de vehículos usados. La información que ve en el formulario de la ventanilla para este vehículo forma parte del presente contrato. La información en el formulario de la ventanilla guía en el texto de la disposición en el contrato anula en el contrato de venta.
- 8. APPLICABLE LAW**
- Federal and Texas law apply to this contract.

NOTICE: ANY HOLDER OF THIS CONSUMER CREDIT CONTRACT IS SUBJECT TO ALL CLAIMS AND DEFENSES WHICH THE DEBTOR COULD ASSERT AGAINST THE SELLER OF GOODS OR SERVICES OBTAINED PURSUANT HERETO OR WITH THE PROCEEDS HEREOF. RECOVERY HEREUNDER BY THE DEBTOR SHALL NOT EXCEED AMOUNTS PAID BY THE DEBTOR HEREUNDER.

This PROVISION applies to this contract only if the vehicle financed in the contract was purchased for personal, family, or household use.

ARBITRATION CLAUSE

PLEASE REVIEW - IMPORTANT - AFFECTS YOUR LEGAL RIGHTS

1. EITHER YOU OR WE MAY CHOOSE TO HAVE ANY DISPUTE BETWEEN US DECIDED BY ARBITRATION AND NOT IN COURT OR BY JURY TRIAL.
2. IF A DISPUTE IS ARBITRATED, YOU WILL GIVE UP YOUR RIGHT TO PARTICIPATE AS A CLASS REPRESENTATIVE OR CLASS MEMBER ON ANY CLASS CLAIM YOU MAY HAVE AGAINST US INCLUDING ANY RIGHT TO CLASS ARBITRATION OR ANY CONSOLIDATION OF INDIVIDUAL ARBITRATIONS.

3. DISCOVERY AND RIGHTS TO APPEAL IN ARBITRATION ARE GENERALLY MORE LIMITED THAN IN A LAWSUIT, AND OTHER RIGHTS THAT YOU AND WE WOULD HAVE IN COURT MAY NOT BE AVAILABLE IN ARBITRATION.

Any claim or dispute, whether in contract, tort, statute or otherwise (including the interpretation and scope of this Arbitration Clause, and the arbitrability of the contract or dispute), between you and us or our employees, agents, successors or assigns, which arises out of or relates to your credit application, purchase of a vehicle, this vehicle, this contract or any other agreement between you and us, or any such relationship with third parties who do not sign this contract, shall be resolved by binding arbitration. This arbitration shall be conducted by a neutral arbitrator and not by a court of law.

If federal law provides that a claim or dispute is not subject to binding arbitration, this Arbitration Clause shall not apply to such claim or dispute.

Any claim or dispute is to be arbitrated by a single arbitrator on an individual basis and not as a class action. You expressly waive any right you may have to arbitrate a class action.

Arbitration shall be conducted by the American Arbitration Association, 1633 Broadway, 10th Floor, New York, New York 10019 (www.adr.org), or any other organization that you choose subject to our approval. You may get a copy of the rules of these organizations by contacting the arbitration organization or visiting its website.

Arbitrators shall be attorneys or retired judges and shall be selected pursuant to the applicable rules. The arbitrator shall apply governing substantive law in making an award. The arbitration hearing shall be conducted in the federal district in which you reside unless the Creditor-Seller is a party to the claim or dispute. In which case the hearing will be held in the federal district where this contract was executed.

We will advance your filing, administration, service or case management fee and your arbitrator or hearing fee will up to a maximum of \$2500, which may be reimbursed by decision of the arbitrator at the arbitrator's discretion. Each party shall be responsible for its own attorney, expert and other fees, unless awarded by the arbitrator under applicable law.

The arbitrator under applicable law.

If the chosen arbitration organization's rules conflict with this Arbitration Clause, then the provisions of this Arbitration Clause shall control.

The arbitrator's award shall be final and binding on all parties, except that in the event the arbitrator's award for a party is \$0 or against a party is in excess of \$100,000, or includes an award of injunctive relief against a party, that party may request a new arbitration under the rules of the arbitration organization by a three-arbitrator panel. The appealing party requesting new arbitration shall be responsible for the filing fee and other arbitration costs subject to a final determination by the arbitrators of a fair apportionment of costs.

Arbitration. You and we retain any rights to self-help remedies, such as repossession. You and we retain the right to seek remedies in small claims court for disputes or claims within that court's jurisdiction, unless such action is transferred, removed or appealed to a different court. Neither you nor we waive the right to arbitrate by using self-help remedies or filing suit.

by using any method or means available to the arbitrator.

Any court having jurisdiction may enter judgment on the arbitrator's award. This Arbitration Clause shall survive any termination, payoff or transfer of this contract.

If any part of this Arbitration Clause, other than waivers of class action rights, is deemed or found to be unenforceable for any reason, the remainder shall remain enforceable. If a waiver of class action rights is deemed or found to be unenforceable for any reason in a case in which class action allegations have been made, the remainder of this Arbitration Clause shall be unenforceable. Notwithstanding any other provision of this Arbitration Clause, the validity and enforceability of class action rights shall be decided by the court and not by the arbitrator.

g. **RETURNED INSURANCE PREMIUMS AND SERVICE CONTRACT CHARGES.** If we get a refund on insurance or service contracts, or other contracts included in the cash price, we will subtract it from what you owe. Once all amounts owed under this contract are paid, any remaining refunds will be paid to you.

h. **APPLICATION OF CREDITS.** Any credit that reduces your debt will apply to your payments in the reverse order of when they are due, unless we decide to apply it to another part of your debt. The amount of the credit and all finance charges or interest on the credit will be applied to your payments in the reverse order of your payments.

3. IF YOU PAY LATE OR BREAK YOUR OTHER PROMISES

- a. **LATE CHARGE.** You will pay your late charges as agreed to in this contract when it becomes.
- b. **DEFAULT.** You will be in default if:
1. You do not pay any amount when it is due;
 2. You give false, incomplete, or misleading information on a credit application;
 3. You file bankruptcy, bankruptcy is filed against you, or the vehicle becomes involved in a bankruptcy;
 4. You agree to a judgment to be entered against you or the co-borrower; or
 5. You break any of your promises in this agreement.
- If you default, we can exercise our rights under this contract and our other rights under the law.
- c. **OUR RIGHT TO DEMAND PAYMENT IN FULL.** If you default, we hereby in good faith that you are not going to stop any of your promises, we can demand that you immediately pay up to what you owe. We don't have to give you notice that we are demanding or intend to demand immediate payment of all that you owe.
- d. **REPOSSESSION.** If you default, we may repossess the vehicle from you if you do so peacefully. If your vehicle has an electronic tracking device, you agree that we may use the device to find the vehicle. If any personal items are in the vehicle, we can store them for you and give you written notice as your car has been addressed above on our website within 15 days of discovering that you have your personal items. If you do not ask for these items back within 91 days from the day we mail or deliver the notice to you, we may dispose of them as applicable law allows. Any equipment, equipment, or replacement parts stays with the vehicle.
- e. **YOUR RIGHT TO REDEEM.** If we take your vehicle, we will tell you how much you have to pay to get it back. If you do not pay us for the vehicle back, we can sell it or take it after other agency action by law. Your right to redeem ends when we sell the vehicle, or sell or lease the vehicle to someone else or accept the collateral as full or partial satisfaction of the debt.
- f. **DISPOSITION OF THE VEHICLE.** If you don't pay us to get the vehicle back, we can sell it or take other action allowed by law. We will send you notice at least 10 days before we sell it. We can use the money we got from selling it to pay off defaulted payment and to reduce the amount you owe. All other expenses are expenses we pay as a direct result of taking the vehicle's, holding it, preparing it for sale, and selling it. If any money is left, we will pay it to you unless you must pay it to someone else. If the money from the sale is not enough to pay all of you, you must pay the rest of what you owe as plus interest and we sell the vehicle, you will give us the certificate of title and all other equipment required by state law to record transfer of title.
- g. **COLLECTION COSTS.** We will hire an attorney who is not our employee to enforce this contract, you will pay reasonable attorney's fees and court costs as the applicable law states. We will also pay our reasonable out-of-pocket expenses incurred in connection with relating, holding, and selling the vehicle as the applicable law allows.
- h. **CANCELLATION OF OPTIONAL INSURANCE AND SERVICE CONTRACTS.** This contract may contain charges for insurance or service contracts or for services included in this cash price. If you default, you agree to cancel any benefit contract, insurance, or service contract, and terminate them to obtain refunds of unearned charges to reduce you owe or repay the vehicle. If the vehicle is a total loss because it is damaged or stolen, we may claim benefits under these contracts and cancel them to obtain refunds of unearned charges to reduce that you owe.

A. INTEGRATION AND SEVERABILITY CLAUSE

INTEGRATION AND SEVERABILITY CLAUSE
This contract contains the entire agreement between you and us relating to the sale and financing of the vehicle. If any part of this contract is not valid, all other parts stay valid.

5 LEGAL LIMITATIONS ON OUR RIGHTS

LEGAL LIMITATIONS ON OUR RIGHTS
If we don't enforce our rights every time, we can still enforce them later. We will exercise all of our rights in a lawful way. You don't have to pay finance charge or other amounts that are more than the law allows. This provision prevails over all other parts of this contract and over all our other acts.

6. SELLER'S DISCLAIMER OF WARRANTY

Unless the seller makes a written warranty, or enters into a service contract within 90 days from the date of this contract, the seller makes no warranties, express or implied, on the vehicle, and there will be no implied warranties of merchantability or of fitness for a particular purpose.

This provision does not affect any vis

7. **Used Car Buyers Guide.** The information you see on the window form for this vehicle is part of this contract. Information on the window form overrides any contrary provisions in the contract of sale.

Spanish Translation: Guía para comp

Información que va en el formulario de la ventanilla para este vehículo forma parte del presente contrato. La información del formulario de la ventanilla deja sin efecto toda disposición en contrario contenida en el contrato de venta.

8. APPLICABLE LAW

Federal and Texas law apply to this contract.